

REDEVELOPMENT AGENCY AGENDA
REDEVELOPMENT AGENCY MEETING OF: FEBRUARY 1, 2006

- CALL TO ORDER

MINUTES:

CALLED TO ORDER BY CHAIRMAN GOODMAN AT 10:54 A.M.

PRESENT: CHAIRMAN GOODMAN and MEMBERS REESE, BROWN, WEEKLY, WOLFSON, TARKANIAN and ROSS

ALSO PRESENT: DOUG SELBY, Executive Director, BRAD JERBIC, City Attorney, and BARBARA JO RONEMUS, Secretary

- ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW

MINUTES:

ANNOUNCEMENT MADE: Posted as follows:

City Clerk's Bulletin Board, City Hall Plaza, 2nd Floor Skybridge

Bulletin Board, City Hall Plaza (next door to Metro Records)

Las Vegas Library, 833 Las Vegas Boulevard North

Clark County Government Center, 500 S. Grand Central Parkway

Grant Sawyer Building, 555 E. Washington Avenue

(10:54)

2-643

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: FEBRUARY 1, 2006

DEPARTMENT: BUSINESS DEVELOPMENT

DIRECTOR: SCOTT D. ADAMS

☐ **CONSENT** ☒ **DISCUSSION**

SUBJECT:

APPROVAL OF THE MINUTES BY REFERENCE FOR THE MEETINGS OF DECEMBER 21, 2005
and JANUARY 4, 2006

Fiscal Impact:

☒

No Impact

Amount:

☐

Budget Funds Available

Dept./Division:

☐

Augmentation Required

Funding Source:

PURPOSE/BACKGROUND:

RECOMMENDATION:

BACKUP DOCUMENTATION:

None

MOTION:

REESE - APPROVED by Reference - UNANIMOUS

MINUTES:

There was no discussion.

(10:54)

2-652

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: FEBRUARY 1, 2006

DEPARTMENT: BUSINESS DEVELOPMENT**DIRECTOR: SCOTT D. ADAMS**☐ **CONSENT** ☒ **DISCUSSION****SUBJECT:**

DISCUSSION AND POSSIBLE ACTION TO DIRECT AND AUTHORIZE STAFF TO PROCEED WITH A REQUEST FOR DEVELOPMENT PROPOSALS FOR THE SITE AT THE SOUTHEAST CORNER OF LAS VEGAS BOULEVARD AND CLARK AVENUE TOTALING APPROXIMATELY 0.94 ACRES (APNS 139-34-310-061 TO -063, -076 AND -710-001) - WARD 1 (TARKANIAN)

Fiscal Impact:☒**No Impact****Amount:**☐**Budget Funds Available****Dept./Division:**☐**Augmentation Required****Funding Source:****PURPOSE/BACKGROUND:**

Staff proposes to issue a Request For Development Proposals (RFP) for the site at Las Vegas Blvd. and Clark Ave. Staff proposes to solicit development proposals for a mixed-use project with all of the following uses: a ground floor, full-service urban grocery store; attainable residential units for lease or sale and/or class A office space; and, sufficient on-site parking for all uses in the development, as well as some public parking.

RECOMMENDATION:

Direct and authorize staff to proceed accordingly.

BACKUP DOCUMENTATION:

1. Agenda Memo
2. Request for Development Proposals (RFP)
3. Site Map

MOTION:

TARKANIAN - APPROVED as recommended - UNANIMOUS with GOODMAN abstaining because his son ROSS has an interest in a piece of property that could be affected by this project

NOTE: MEMBER WOLFSON disclosed that he owns property within a couple of blocks of this parcel; however, he did not believe any action on this matter would affect his property, and it is his understanding that he could vote. CITY ATTORNEY JERBIC elaborated that the property MEMBER WOLFSON was referring to is his law office on Seventh and Bonneville, which was already developed and is not subject to land speculations on nearby parcels.

MINUTES:

SCOTT ADAMS, Director, Office of Business Development, indicated that a matter like this would normally be handled administratively; however, given the different interest and intent going into this RFP, staff felt it important for the Agency members approve this matter.

The subject site is located cater-corner from the Fifth Street School and across the street from the Federal Courthouse. In 2004, an RFP was issued for this site, through which the Related Companies and Cherry Development were selected. Negotiations persisted for six-to-seven months, but an agreement could never be reached; that arrangement was finally terminated.

When staff reflected on what is needed for this site, several needs were identified that are not being met

REDEVELOPMENT AGENCY MEETING OF: FEBRUARY 1, 2006**MINUTES - Continued:**

in the downtown area as it is being redeveloped. Primarily, there is a need for a grocery store. Some housing has been developed and a lot more housing developments are being proposed. But one of the consistent objections to developers from prospective buyers is that the amenities needed to support residential development are not in place, primarily a grocery store. Staff is in a quandary, because the amenities will attract more housing.

After staff concluded its studies of other cities, in particular San Diego, California, it found that the city of San Diego aggressively pursued grocery store commitments for its downtown. In fact, the sale of two parcels in downtown San Diego was underwritten at virtually no cost in order to secure the commitment for two grocery stores.

Thus, the first section of this RFP includes the City's primary thrust of a desire for development of a grocery store. Staff would like to obtain the latitude to be able to indicate to potential developers that the City is willing to do what it takes to get a grocery store built downtown. This is a significant policy initiative, as compared to other RFPs that are simply put out to receive proposals with the best possible price. Staff is going into this RFP knowing that grocery stores do not pencil out on land worth \$50 to \$200 a square foot. Grocery stores are used to not paying too much in rent, because they generally serve as anchors to larger developments. As anchors, they dictate the terms. Consequently, a grocery store committing to the downtown area will have to fit on a smaller site and might have to build vertically. Because of the fundamental economics, the site will have to be provided at little or no cost.

Once staff reconciles that the site could be underwritten at little or no cost to a grocery store, other uses that are not being found feasible downtown could be fit into the development. The subject area needs parking, so staff is looking at additional parking, as well as the possibility of providing office space or attainable housing. Both uses do not generally pencil out downtown, but developers have approached the Agency with a desire to build office space downtown. Staff could look into encouraging respondents to include attainable housing on projects.

MR. ADAMS said he could definitely envision a multi-use project on this approximate one-acre site, perhaps a two-story grocery store with underground parking, office space above the grocery store and housing above the office space. He noted that, if the property is sold by more than \$100,000 less than the appraised value, prevailing wages would be triggered, in accordance with State law. Therefore, he would expect the respondents to ask for a TIF rebate.

MR. ADAMS concluded that this item does not involve the standard RFP. Staff is going in saying that the private market place is not responding to a need that is present downtown. The role of the Redevelopment Agency is to get involved in development where the private marketplace is not able to properly perform. Staff anticipates that attracting a grocery store will help other projects in the downtown area succeed.

VICE CHAIR REESE said he is in the process of working with a developer for the site located on the southwest corner of Bruce and Fremont, where there is a mobile home park for 22 spaces. The tenants are going to have to relocate, but some of the mobile homes are so old that they are going to be difficult to move. Another difficulty is that there is no place these tenants can go. The City is helping this developer, but it is also helping leave these 22 families homeless. A lot of them are senior citizens. The

REDEVELOPMENT AGENCY MEETING OF: FEBRUARY 1, 2006**MINUTES - Continued:**

City has to look at bringing in attainable housing in the lower-income areas, mainly in Wards 3 and 5. He hopes that when developers talk about providing attainable housing, it is truly attainable, not something that many of his constituents cannot afford.

MEMBER WOLFSON said he just spent two days in the Gas Lamp District in downtown San Diego, which has changed substantially from when he attended school in San Diego. He was amazed at what was done with the area. Anything the City can do to make downtown Las Vegas thrive should be done and supported. This aggressive stance is appropriate. He also agreed with VICE CHAIRMAN REESE that true attainable housing is needed downtown.

MEMBER WEEKLY appreciated and supported MR. ADAMS' recommendation. He noted that this initiative is similar to one in the Enterprise Park to attract a grocery store. He likes the City continuing to push the envelope, and sometimes it is necessary to step out of the box and do what is necessary, especially in the downtown area. He also agreed with VICE CHAIRMAN REESE that every necessary incentive should be applied towards attracting genuine affordable housing.

MEMBER ROSS supported this matter and shared the concerns of his colleagues regarding the need for attainable housing. He asked MR. ADAMS if the selected developer will be held to task. MR. ADAMS added that staff's goal is to define attainable housing in the range of 80 to 250 percent of median. While 250 percent might sound extraordinary, the median price for a new home is about \$315,000 and an existing home is a little less than \$300,000. The median income is \$47,000; hence, the median household cannot afford a median home. Staff has tried to create a goal where the median household can afford a unit in the final project and is included in the RFP, but whether the selected developer can financially come through remains to be seen. It is also important to keep in mind that the main goal is to get a grocery store to come into the downtown area. Perhaps the right incentives will assist in achieving additional goals. MEMBER ROSS felt certain that it could be done, as it has been done in many other cities.

VICE CHAIRMAN REESE added that there is also a great need for rental properties, because many people cannot afford to purchase homes, or many prefer to rent than own. He felt that attainable housing should include rental properties for those that have to have a place to live.

MEMBER WOLFSON added that at a meeting he attended of the Southern Nevada Regional Planning Coalition, there was a briefing on local population statistics, which revealed that approximately one out of every five and a half City of Las Vegas residents live in rental apartment units. Some people feel this is not surprising. However, he felt that, if that many people live in rental units, there is a true need for continuing an inventory of rental units.

MEMBER TARKANIAN said she agrees with her colleagues that there is a need for aggressively moving toward attracting a grocery store downtown, as well as with the need for staff to aggressively push for genuine attainable housing.

Subsequent to voting on the motion and before moving onto the next item, CHAIR GOODMAN stated that the City has had many successes with affordable housing in the downtown area, such as Campaigne Place, City Place, the Tin Houses. There are also other projects on the drawing board. In redevelopment,

REDEVELOPMENT AGENCY MEETING OF: FEBRUARY 1, 2006

MINUTES - Continued:

if ten percent of the proposals come to fruition, it is considered a success. There are ongoing conversations in progress with many developers. MEMBER TARKANIAN is also talking to a group from New York that is very excited about the prospect of building apartments and keeping them affordable for at least five to ten years, and then converting them to condominiums, once the market settles. He stressed that incremental successes are occurring downtown.

(10:55 - 11:21)

2-664

AGENDA SUMMARY PAGE

REDEVELOPMENT AGENCY MEETING OF: FEBRUARY 1, 2006

CITIZENS PARTICIPATION: PUBLIC COMMENT DURING THIS PORTION OF THE AGENDA MUST BE LIMITED TO MATTERS WITHIN THE JURISDICTION OF THE REDEVELOPMENT AGENCY. NO SUBJECT MAY BE ACTED UPON BY THE REDEVELOPMENT AGENCY UNLESS THAT SUBJECT IS ON THE AGENDA AND IS SCHEDULED FOR ACTION. IF YOU WISH TO BE HEARD, COME TO THE PODIUM AND GIVE YOUR NAME FOR THE RECORD. THE AMOUNT OF DISCUSSION ON ANY SINGLE SUBJECT, AS WELL AS THE AMOUNT OF TIME ANY SINGLE SPEAKER IS ALLOWED, MAY BE LIMITED

MINUTES:

Before allowing the students, who sat with the Council during the meeting, to speak, MEMBER WEEKLY thanked his colleagues, EXECUTIVE DIRECTOR SELBY, and staff for supporting the salute to Black History Month. He also thanked his staff, RICKI BARLOW and KARLETTE ADAMS for preparing the awards and to MIKE CAMPBELL for preparing the presentation for CORETTA SCOTT KING.

The following students then came forward: AMIR HILL-SHAFEEQ, Rancho High School, CHELSEA HOPKINS, Mojave High School, CHRISTOPHER FOWLER, Western High School, RAQUAN SNEAD, Cheyenne High School, CYNTHIA HERNANDEZ, Las Vegas Academy, and STEPHANIE SCOTT, Advanced Technologies Academy. They each thanked the Agency members for allowing them to observe today's meeting. It was a wonderful experience, from which they learned a lot about how government works and all the factors that go into making a decision, especially when the decisions affect the entire community. It was also nice to see that the members of this body believe in giving people second chances. MS. SCOTT invited the Agency members to attend Community Night at the Advance Technologies Academy that evening.

MEMBER REESE commented that he has seen MS. HOPKINS in action at her basketball games, and he was very impressed with her attitude and the way she handled herself on the court. He wished her well and that she makes it on the UNLV basketball team.

CHAIRMAN GOODMAN noted that the City has a great future with youth like the aforementioned students.

(11:21 - 11:28)
2-1630

CONSTANCE CASUTO, speaking at the request of the National Alliance Against Racist and Political Repression, requested that the City place the item of the anti-USA Patriot Act Resolution on the agenda, to be discussed by the City Council. The Alliance has been making this request since June 2005 and has met with individual members of the Council, and they have all been sympathetic. CHIARMAN GOODMAN stated that no action could be taken at this meeting, but the City Manager's office is now aware of the request, which he did not believe was unreasonable.

(11:28 - 11:29)
2-1907

THE MEETING ADJOURNED AT 11:29 A.M.



REDEVELOPMENT AGENCY MEETING OF: FEBRUARY 1, 2006

MINUTES - Continued:

Respectfully submitted:

Gabriela Portillo-Brenner, Deputy City Clerk
February 10, 2006

Barbara Jo Ronemus, Secretary